

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1400

SPONSOR: Comprehensive Planning Committee, Senators Bennett and Dawson

SUBJECT: Local Government Solid Waste Fees

DATE: March 9, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Cooper	Yeatman	CP	Fav/CS
2.	_____	_____	FT	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This Committee Substitute (CS) requires, rather than authorizes, local governments to waive solid waste fees, for certain nonprofit organizations that collect donated goods for charitable purposes. The CS provides exceptions to this requirement.

This CS amends section 403.706 of the Florida Statutes.

II. Present Situation:

Solid Waste Tipping Fee Waivers

Section 403.706, F.S., designates the governing body of a county with the responsibility and power to operate solid waste disposal facilities for both the incorporated and unincorporated areas of the county. Counties are required to implement a recyclable materials recycling program. The solid waste management and recycling programs must be designed to provide for sufficient reduction of the amount of solid waste generated within the county, and the municipalities within its boundaries, in order to meet goals for the reduction of municipal solid waste prior to the final disposal or the incineration of such waste at a solid waste disposal facility.

Subsection (10) requires counties and cities, in developing and implementing recycling programs, to give consideration to the collection, marketing, and disposition of recyclable materials by persons engaged in the business of recycling, whether or not the persons are operating for profit. Counties and municipalities are encouraged to use for-profit and nonprofit organizations in fulfilling their recycling and waste management responsibilities.

Subsection (17) authorizes local governments to waive solid waste fees for nonprofit organizations that collect donated goods for charitable purposes and that have a recycling rate of 50 percent or more.

Goodwill Industries of Florida

Representatives from Goodwill Industries of Florida report that last year they recycled over 83 million pounds of material. Other non-recyclable material they collect is hauled to landfills and incinerators, in many cases, at Goodwill's expense. They report that they are charged 'tipping fees' in all but one county, amounting to approximately \$1 million annually statewide.

III. Effect of Proposed Changes:

Section 1 amends s. 403.706, F.S., to require, rather than authorize, counties and municipalities to waive solid waste fees for any not-for-profit organization qualified under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, that collect donated goods for charitable purposes and that have a recycling rate of 50 percent or more. However, this waiver is not required for construction and demolition debris or manufacturing by-products.

The CS stipulates that tipping fees or similar user fees may not be increased as a result of these waivers.

Finally, waivers are not required in counties or municipalities that have included a covenant prohibiting free service in an ordinance or resolution securing its outstanding solid waste revenue bonds that are payable in whole or in part from solid waste fees.

Section 2 provides that the act will take effect July 1, 2004.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Subsection (b) of section 18 of Article VII, Florida Constitution, requires a two-thirds vote of the membership of each house of the Legislature in order to enact a general law reducing the authority that municipalities and counties had on February 1, 1989, to raise revenues in the aggregate. However, laws determined "having an insignificant fiscal impact" are exempt from this requirement.

By requiring, rather than authorizing, local governments to waive solid waste fees for certain nonprofit organizations that collect donated goods for charitable purposes, the revenue generating authority of such local governments is reduced.

At this time, the estimated fiscal impact of this CS is indeterminate. If the fiscal estimate is less than \$1.73 million, the CS will be exempt from the constitutional restriction. Otherwise, the legislature may only enact this law by a 2/3 vote of the membership of each house of the Legislature.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

This CS requires, rather than authorizes, local governments to waive solid waste fees for certain nonprofit organizations that collect donated goods for charitable purposes. To the extent that qualified organizations take advantage of this exemption, local governments will experience a corresponding decrease in solid waste fees.

B. Private Sector Impact:

This CS requires, rather than authorizes, local governments to waive solid waste fees for certain nonprofit organizations that collect donated goods for charitable purposes. To the extent that qualified organizations take advantage of this exemption, they will decrease their costs for such waste disposal.

C. Government Sector Impact:

Aside from the loss of tipping fee proceeds, counties report that they will likely incur costs in administering the waivers. No cost estimates are available at this time.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.